

THE CORPORATION JOURNAL

(REGISTERED U. S. PAT. OFFICE)

VOL. XI, No. 10

OCTOBER, 1934
COMPLETE NUMBER, 221

PAGES 217-240

Published by

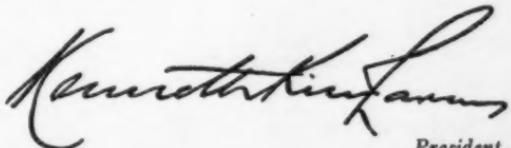
THE CORPORATION TRUST COMPANY AND AFFILIATED COMPANIES

The policy of The Corporation Trust Company in all matters relating to the incorporation, qualification, statutory representation and maintenance of corporations, is to deal with members of the bar, exclusively.

An amendment of the New York Stock Corporation Law, effective November 1, 1934, requires every domestic business corporation to file in the Department of State, Albany, New York, on or before January 1, 1935, a certificate designating the Secretary of State as its agent for service of process, and setting forth an address to which the Secretary of State shall mail a copy of any process against the corporation which may be served upon him. The fee payable to the Secretary of State for the filing of this certificate is \$2.

A domestic business corporation, organized after November 1, 1934, whose certificate of incorporation contains such a designation and address, will not be required to comply with these provisions.

The 1934 amendments to the Corporation Laws of New York, including the full text of the amendment referred to, are contained in a pamphlet available upon request at any office of The Corporation Trust Company.



Kenneth W. L. Campbell

President.

When The New Deal Reaches The Supreme Court

Suits in which is involved the constitutionality of NIRA, the Gold Clause resolution, and other New Deal laws, are either before the Supreme Court or on their way up from various lower courts. Opinions that bear on the question, or show the court's attitude, may come any moment in cases unrelated in themselves to New Deal policies.

For lawyers with important industrial, mercantile or financial clients only The Corporation Trust Company's Supreme Court Service will meet requirements this year . . . Through this Service the arrival of each case on the docket of the Supreme Court together with the channel through which it came is made known to you at once and every step in its progress up to final decision is reported with dispatch and of the decision, complete official

copy is forwarded . . . The final law of the land in matters that touch the interests of manufacturers, merchants, bankers, investors, investment houses, public utilities, employers in your own city will be determined in the Supreme Court decisions. Good lawyers need the Supreme Court Service this year as never before. If you are not already a subscriber, write or telephone immediately to our nearest office for details of service, price, etc.

THE CORPORATION TRUST COMPANY

ORGANIZED UNDER THE BANKING LAWS OF NEW YORK AND NEW JERSEY
CAPITAL AMOUNT A MILLION DOLLARS

FOUNDED 1868

120 BROADWAY, NEW YORK
18 EXCHANGE PLACE, JERSEY CITY
100 W. TENTH ST., WILMINGTON, DEL.

Albany, 180 State St.
Atlanta, Healey Bldg.
Baltimore, 10 Light St.
(The Corporation Trust Incorporated)
Boston, Atlantic Nat'l Bk. Bldg.
(The Corporation Trust, Incorporated)
Buffalo, Ellicott Sq. Bldg.
Chicago, 208 S. La Salle St.
Cincinnati, Carew Tower
Cleveland, Union Trust Bldg.
Dallas, Republic Bank Bldg.
Washington,

Detroit, Dime Sav. Bank Bldg.
Dover, Del., 30 Dover Green
Kansas City, 1006 Grand Ave.
Los Angeles, Second Bldg.
Minneapolis, Security Bldg.
Philadelphia, Fidelity-Phila. Tr. Bldg.
Pittsburgh, Oliver Bldg.
Portland, Me., 441 Congress St.
San Francisco, Market Bldg.
Seattle, Exchange Bldg.
St. Louis, 415 Pine St.
Wausau, Munsey Bldg.

THE CORPORATION JOURNAL

VOL. XI, No. 10

OCTOBER, 1934

PAGES 217-240

The Corporation Journal is published by The Corporation Trust Company monthly, except in July, August, and September. Its purpose is to provide, in systematic and convenient form, brief digests of significant current decisions of the courts, and the more important regulations, rulings or opinions of official bodies, which have a bearing on the organization, maintenance, conduct, regulation, or taxation of business corporations. It will be mailed regularly, postpaid and without charge, to lawyers, accountants, corporation officials, and others interested in corporation matters, upon written request to any of the company's offices (see next page).

When it is desired to preserve the Journal in a permanent file, a special and very convenient form of binder will be furnished at cost (\$1.50).

Contents for October

	Page
An Innovation in Taxation	221
Digests of Court Decisions, etc	
Domestic Corporations	222
Foreign Corporations	226
Taxation	235
<hr/>	
A Notable Achievement	236
Corporate Meetings Held	237
Some Important Matters for October and November.	237

THE CORPORATION TRUST COMPANY

ORGANIZED UNDER THE BANKING LAWS OF NEW YORK AND NEW JERSEY

COMBINED ASSETS A MILLION DOLLARS

FOUNDED 1892

120 BROADWAY, NEW YORK

15 EXCHANGE PLACE, JERSEY CITY

300 W.TENTH ST., WILMINGTON, DEL.

Albany, 180 State St.
Atlanta, Healey Bldg.
Baltimore, 10 Light St.
(The Corporation Trust Incorporated)
Boston, Atlantic Nat'l Bk. Bldg.
(The Corporation Trust, Incorporated)
Buffalo, Elyott Sq. Bldg.
Chicago, 209 S. La Salle St.
Cincinnati, Carew Tower
Cleveland, Union Trust Bldg.
Dallas, Republic Bank Bldg.

Detroit, Dime Sav. Bank Bldg.
Dover, Del., 30 Dover Green
Kansas City, 926 Grand Ave.
Los Angeles, Security Bldg.
Minneapolis, Security Bldg.
Philadelphia, Fidelity-Phila. Tr. Bldg.
Pittsburgh, Oliver Bldg.
Portland, Me., 443 Congress St.
San Francisco, Mills Bldg.
Seattle, Exchange Bldg.
St. Louis, 415 Pine St.
Washington, Munsey Bldg.

Having offices and representatives in every state and territory of the United States and every province of Canada and a large, trained organization at Washington, this company

Being incorporated under the Banking Law of New York, and its affiliated company incorporated under the Trust Company Law of New Jersey, the combined assets always approximating a million dollars, this company

—furnishes to attorneys complete, up to date information and precedents for drafting all papers for incorporation or qualification in any jurisdiction;

—acts as Transfer or Co-Transfer Agent or Registrar for the securities of corporations;

—files for attorneys all papers, holds incorporators' meetings, and performs all other steps necessary for incorporation or qualification in any jurisdiction;

—acts as Trustee, Custodian of Securities, Escrow Depository or Depository for Reorganization Committees;

—furnishes, under attorney's direction, the statutory office or agent required for either domestic or foreign corporation in any jurisdiction;

—compiles and issues:—
The Stock Transfer Guide and Service
The Corporation Tax Service, State and Local
The Congressional Legislative Service
The Supreme Court Service
—and through its Loose Leaf Service Division, Commerce Clearing House, Inc., issues:—

Federal Trade Regulation Service (N.R.A.)

Federal Reserve Tax Service

Federal Reserve and Bank Law Service

Inflation Law Service Securities Act Service

Trust Department and Insurance Trust Service

Legislative Reporting Service

Aviation Law Service N. Y. Tax Service

Board of Tax Appeals Service

Banking and Trust Company Service

N. Y. Advance Digest Service Mich. Advance Digest Service

Pennsylvania Advance Digest Service

Public Utilities and Carriers Service

Rewrite Federal Tax Service

Business Law Reference Service Bankruptcy Law Services

Insurance Law Reporting Service Inheritance Tax Services

Legal Periodical Digest Service

Stocks and Bonds Law Service

Twenty-four Court Decisions Reporting Services

Federal and State Tax Systems (Charts)

—keeps counsel informed of all state taxes to be paid and reports to be filed by his client corporation in the state of incorporation and any states in which it may qualify as a foreign corporation;

An Innovation in Taxation

EDWARD ROESKEN

The New York City Business Tax,¹ with its return and payment due August 1, 1934, was unique, as it was the first attempt by a city to impose a gross receipts tax applicable to practically all types of business. In this instance, special state enabling legislation was required.² The City of Miami, Florida, had, on February 8, 1934, adopted a general sales tax ordinance,³ but this was repealed before the date on which it was to become operative.

The New York City Tax was unusual in many respects. It was imposed by an act effective May 22, 1934, for the privilege of carrying on activities in New York City "during the balance of the calendar year 1934," and yet the taxable receipts were those which had been received "during the calendar year 1933"—before the law was passed. Because the report and tax were due August 1, 1934, the tax was actually applied only to those doing business in the city between May 22, 1934 and August 1, 1934.

Many interesting questions arose in connection with the preparation of the returns. Most of these revolved about the subjects of "interstate commerce," "intrastate commerce" and what might be termed "inter-city commerce."

Regulations and a pamphlet of "Information for Taxpayers," made available on July 23, 1934—a week before the returns were due—revealed the City's interpretation of

the application of the tax to these types of commerce.

Strictly interstate commerce receipts, while they were to be reported, were deductible and therefore not subject to the tax. Receipts from "merchandise sold within the City of New York for delivery outside the City of New York but within the State of New York" were "to be reported, as interstate or foreign commerce is not involved," and the tax was therefore to be applied to them. Receipts from shipments of goods from cities within New York State into New York City were also ruled as taxable. A deduction was permitted to be made, however, of receipts from shipments made between two cities in New York State, neither of which was New York City, "as they are not receipts from business or commercial activity exercised in the City of New York." There was, of course, no question concerning the taxability of receipts from transactions occurring wholly within the City of New York.

The local law imposing the New York City Business Tax called for but one report and payment, due August 1, 1934. An indication has now been given of the extent to which a city may be expected to apply a tax of this type, if, as appears possible, other cities should also enter a field previously cultivated exclusively by the states for the raising of revenue.⁴

¹ Local Law No. 9, 1934.

² Chapter 302, Laws of New York, 1934.

³ Ordinance No. 1126.

⁴ The New York State Legislature has enacted Chapter 873, Laws of 1934, which enables New York City to levy a further tax similar to that described. A local law has been introduced in the Municipal Legislature providing for a new Business Tax for 1935, measured by receipts or income received in 1934.

Domestic Corporations

California.

Action by stockholders against directors of corporation for alleged wrongful acts asserted to have caused stockholdings to become valueless. Such was the caption to the digest of Anderson et al. vs. Derrick et al. (26 P. (2d) 463) appearing in The Corporation Journal for February, 1934, page 102. The case on rehearing will be found in 32 P. (2d) 1078. To the extent of the Journal digest, the holding is as before.

Delaware.

Shares of stock of a Delaware corporation owned by predominantly controlled subsidiary may not be voted. Section 19 of the Delaware Corporation Law provides that corporations may purchase and hold shares of their own capital stock but that "shares of its own capital stock belonging to the corporation shall not be voted upon directly or indirectly." In the instant case 99% of the stock of a subsidiary is owned by the parent corporation; the subsidiary owns a large block of the parent's capital stock. At a meeting of stockholders of the parent, the stock held by the subsidiary was present, was counted in determining a quorum, and was voted. The Chancellor (Delaware Court of Chancery, New Castle County) holds that such stock may not be voted and as it may not be voted it is not to be counted for quorum purposes. The court says: "It may be that there are cases where it would be right that an owned subsidiary should be allowed to vote its parent's stock. If so, in my judgment those cases should rest on an exceptional state of facts." Other issues were involved which need not be mentioned here. *Italo Petroleum Corporation of America v. Producers Oil Corporation of America et al.*, decided July 20, 1934. Appearances: Hugh M. Morris and Ivan Culbertson, of Wilmington; and Howard Duane, of Wilmington, and Charles S. Aromstram, of New York City, with him Archie S. Karp, of New York City, on the brief.

Receivership; leave to foreclose an indenture of mortgage. A Delaware corporation is in insolvency receivership. The trustees under an indenture of mortgage executed by the insolvent petitioned the Delaware Court of Chancery, New Castle County, asking leave of the court to institute foreclosure proceedings on the mortgage and to make the receivers parties therein. Leave denied. The court says *inter alia*: "Because a lien exists with the incident of legal methods for its enforcement, it does not follow that the court is required as a matter of course to grant consent to the lienor on his mere asking that he may proceed to execution and sale and the consequent dispossessing of the receiver and the disruption of the orderly administration of the estate. It is hardly to be conceived that the rule which requires consent of the court before a lien may be enforced against its receiver is founded on nothing more than a polite regard for the court's interposed presence as possessor of the res. If that be the

reason for the rule, then of course the court should, as soon as the proprieties of courtesy have been satisfied by a respectful request, promptly grant the consent as a matter of right. The rule rests on something more substantial than that. It rests on a consideration of the general equities of the case." "The granting of consent by the court that the receivers might be sued and their possession ultimately taken away, lies in the sound discretion of the court." "The owner of a mortgage cannot be denied his right to foreclose. That is quite true. That means that, in the absence of statutory provisions, he cannot be compelled to submit to a sale by a receiver of the property covered by his mortgage free of its lien. His security cannot be impaired against his will by being made to bear receiver-ship costs and expenses. These principles, however, do not amount to saying that in every case, no matter what the circumstances, the court should on his mere request consent that the receiver be ousted of possession by foreclosure proceedings. The petition is to be answered according as the facts, interpreted in the light of what I conceive to be a sound discretion, would suggest." *McGlinn v. Wilson Line* (In the matter of petition of the Pennsylvania Company for Insurances on Lives and Granting Annuities for leave to foreclose an indenture of mortgage), decided July 30, 1934. Robert H. Richards, of Richards, Layton & Finger, of Wilmington, and Julian B. Carpenter, of Philadelphia, Pa., for petitioner. James H. Hughes, Jr., of Ward & Gray, of Wilmington, for receivers. Christopher L. Ward, Jr., and Arthur G. Logan, of Marvel, Morford, Ward & Logan, of Wilmington, and John R. Umstead, of Philadelphia, Pa., for Stockholders Protective Committee. Thomas Reath, Jr., of Philadelphia, Pa., for Bondholders Protective Committee.

Nebraska.

Charter powers. The Supreme Court of Nebraska says, in regard to the charter of the business corporation here involved: "It appears to us that it would be a much easier task to catalogue the things that this corporation might not do than those which it was empowered to do under its articles." One specific provision of the charter is that the corporation shall have power "in carrying on its business, or for the purpose of obtaining or furthering any of its objects, to do any and all acts and things and to exercise any and all other powers which a natural person could do and exercise and which now or hereafter may be authorized by law." On this the court says: "It is undoubtedly true that a contract of a corporation, to be within its powers, must have some relation to the business of the corporation, and must be entered into in the interest or for the benefit of the corporation, and the provision that it may exercise all the powers which a natural person could do is limited by the other provisions of the charter. When not prohibited they are the same." *Fremont Nat. Bank v. Ferguson & Co.*, 255 N. W. 39, 45. Appearances: Abbott, Dunlap & Corbett, of Fremont; Hall, Cline & Williams, of Lincoln.

New Jersey.

On enjoining New Jersey corporation from transferring stock owned by a nonresident. The New Jersey Court of Chancery says: "Section 20 of the Corporation Act states that shares of stock are personal property. Therefore, in equity, an attachment creditor, and a judgment creditor, may by resorting to this court auxiliary to proceedings at law obtain an injunction whereby such creditors may assert rights against an attachment debtor or a judgment debtor who is a stockholder of a corporation in instances where such creditors may not be able to lay hold of the certificate evidencing the number of shares of corporate stock owned by such debtor." "The provisions contained in sections 13 and 14 of the Uniform Stock Transfer Act, with respect to the enjoining of the transfer of a certificate of stock, are significant, and, in my judgment, indicative that when corporate stock is so far subject to the control of the corporation that its formal transfer cannot be perfected without the action of the corporation, process of garnishment, execution or attachment may be effectively served upon the corporation at its domicile and thus warn the corporation not to perfect any transfer without the permission of the court, and thus subjects that matter to the jurisdiction of the court." The stock here in question (of a New Jersey corporation) had been pledged by its owner, a resident of New York, as collateral for a loan obtained from a New York bank. The bank was a party defendant to the action; it appeared generally, praying that its rights be inquired into and determined—"and therefore this court is empowered to effectively enjoin such defendant, and such decree as the court may make herein is binding upon said defendant." "Under the acts and circumstances disclosed herein said bank should be compelled by the decree of this court to sell the shares of stock represented by the aforesaid certificate, pay to itself the amount of its claim against the defendant Squier (the owner of record of the stock) from the proceeds of the sale, and pay over the excess or surplus from the proceeds of such sale to the clerk of this court, subject to the further order of the court." *Warren and Maxson v. N. J. Zinc Co., Nat'l. City Bank of N. Y. and C. B. Squier*, 116 N. J. Eq. 315; 173 A. 128. Merritt Lane, of Newark, for complainants. Lindabury, Depue and Faulks, of Newark, for the two companies defendant.

New York.

By-law providing for cumulative voting is effective. Section 49 of the New York Stock Corporation Law provides that the certificate of incorporation, or an amending certificate, may authorize cumulative voting at elections of directors. Section 47 provides that unless otherwise provided in the charter each stockholder shall be entitled to one vote for each share of stock owned by him, at stockholders meetings. Here, the articles of incorporation of a closely held corporation made no mention of cumulative voting; later it was unanimously determined by the stockholders to make provision for such voting and an amending certificate was prepared and the by-laws

were amended accordingly; the amending certificate was never filed with the Secretary of State, however. An election was held; a candidate for director was declared elected though he received fewer votes than a candidate for whom votes were cast cumulatively. In this action the trial court sustained the declared result. The New York Supreme Court, Appellate Division, Second Department, reverses. The court says: "We find nothing here (referring to statutory provisions) that forbids an agreement amongst all stockholders as to the manner in which the shares may be voted, provided that such agreement does not limit the right to cast one vote for each share. We view the statute relating to cumulative voting as permissive and not mandatory. It provides a method of permanent adoption of cumulative voting as a matter of public record not readily subject to modification or change as a by-law might be. Such a by-law as is here considered constitutes no unreasonable restraint on the rights of the corporation or its stockholders. As we view it, the adoption of the by-law by the entire number of stockholders was not inherently illegal. We are not called upon to determine whether such a by-law would be binding if adopted by a bare majority of the stockholders, with the minority protesting." *In Re American Fibre Chair Seat Corporation*, 272 N. Y. S. 206. Isaac N. Jacobson, of New York City, for appellant. Isidore I. Haber, of New York City, for respondent.

Appraisal of dissenting stockholder's stock; good faith. Sec. 20 of the N. Y. Stock Corp. Law provides that a corporation may, with the consent of the holders of record of two-thirds of its shares entitled to vote thereon, sell all of its properties or any part thereof. Sec. 21 provides for payment to a dissenting shareholder for his shares on the basis of an appraisal provided for in the statute. Here, Socony-Vacuum Corporation entered into an agreement with the Standard Oil Co. of N. J. looking to the organization of a corporation to which Socony was to transfer certain properties held by it in the Far East in exchange for 50% of new corporation's stock, the other 50% going to the New Jersey company. A holder of some 200 shares (out of more than 30,000,000 shares outstanding) which he had acquired after the notice of the meeting at which the proposition was to be voted on had been sent out (the proposition was favored overwhelmingly—23,827,554 shares in favor, 3,546 against), dissented and seeks relief under the mentioned law provisions. The New York Supreme Court, Appellate Division, First Department, affirming the judgment below, denies the petition, saying first that "the transfer contemplated herein is not of the nature or character referred to in the Stock Corporation Law" and then "An application of this kind must be shown to be made in good faith * * *. We are of the opinion that the good faith of such applications should be shown before the courts tolerate any attempt to harass or annoy a corporation, where the officers or directors are clearly acting in the best interests of its stockholders. If the petitioners show merit in such applications and they are within the statute, they should be granted." *In re Leventall*, 271 N. Y. S. 493. Aaron G. Mintz, of New York,

for appellant. Kadel, VanKirk & Trencher, of New York (John Kadel, of New York, of counsel), for respondent.

Certificates of stock are "goods" under Uniform Sales Act. The New York Court of Appeals (Judge Crane dissenting; Judge Kellogg not sitting) holds that under the New York Sales Act (Article 5 of the Personal Property Law), such being the Uniform Sales Act, certificates of stock are "goods" and so, on buyer's refusal to accept delivery of certificates, under a contract of sale, title not having passed to the buyer, the seller cannot maintain an action to recover price, he being relegated to action for damages. Here the court affirmed a judgment dismissing an action to recover the purchase price of 200 shares of stock. The contract of purchase and sale was executory. The buyer refused to accept delivery of the certificates when tendered. *Agar et al. v. Orda*, 264 N. Y. 248, 190 N. E. 479. John N. Regan and Edward G. Bathon, both of New York City, for appellants. Max Orda, in pro. per.

Texas.

Directors and officers of corporation not personally liable for torts committed by employee of corporation. The Court of Civil Appeals of Texas, San Antonio, says: "The directors and other officers of a corporation cannot be held personally or officially liable for the torts and wrongs committed by an employee without their knowledge or consent, and while it seems to be the contention of appellee that such is the law, no decision of any court has been cited that tends to support any such doctrine. If such a proposition could be sustained, it would be utterly subversive of the laws in regard to what constitutes principal offenders or any other grade of complicity in a crime and would destroy the purpose and efficiency for which corporations may be created." *Diversion Lake Club et al. v. Self*, 71 S. W. (2d) 553. Appearances: Templeton, Brooks, Napier & Brown, W. L. Matthews, and Swearingen & Miller, all of San Antonio; and Ocie Speer, of Austin, and Marcus W. Davis, of San Antonio.

Foreign Corporations

Alabama.

Venue in action against foreign corporation and another. Section 232, Alabama Constitution, provides that a foreign corporation doing business in the state "may be sued in any county where it does business, by service of process upon an agent anywhere in the state." Here a Delaware corporation, doing business in, and having an agent in, Jefferson county, was sued, jointly with another, in Marshall County. Appearing specially, the corporation filed a plea in abatement averring as above and, further, that it was not doing business by agent in Marshall county either at the time of commencement of the action or at the time the alleged cause of action arose, and had

then no known place of business in said county. Demurrer to this plea was sustained; judgment against defendants. The Court of Appeals of Alabama, on appeal by the foreign corporation, reverses and remands, saying: "The fact that this appellant was sued jointly with another who was subject to the jurisdiction of the court cannot avoid the mandate of the constitutional provision. The court erred in sustaining the demurrer to the plea in abatement. * * *" *Alabama Warehousing Co. v. Hyatt et al.*, 154 So. 313. Kingman C. Shelburne and Bradley, Baldwin, All & White, all of Birmingham, for appellant. D. Isbell, of Guntersville, for appellees.

Indiana.

Foreign corporation, not qualified to do business in the state at time contract is entered into, may sue on the contract if qualification is effected before suit is brought. Action to quiet title; defendant-appellee claimed an easement for a certain right of way by virtue of certain contracts. Plaintiff contended inter alia that the contracts were void, since, when entered into, the defendant was a foreign corporation not licensed to do business in Indiana. The Supreme Court of Indiana, affirming the judgment below for the defendant, cites the case of *Peter & Burghard Stone Co. & Carper* (Ind. App. 1930) 172 N. E. 319, and says "the court held that, although a foreign corporation enters into a contract before a compliance with the statute, this fact does not render the contract void, and if, after the execution of the contract, but before suit, the corporation complies with the statute, then an action may be maintained by the corporation upon the contract. In this case all of the cases in this state upon the question at issue were collected and considered as well as cases from many other jurisdictions. The case is well considered and reasoned, and we do not consider it necessary to dwell further upon the law as decided in that case." *Selph v. Illinois Pipe Line*, 190 N. E. 191. Chas. A. Lowe, of Lawrenceburg, and Ed. J. Hayes, Jr., for appellant. Estal Bielby, of Lawrenceburg, and Abram Simmons, of Bluffton, for appellee.

Louisiana.

Single transaction, if long extended, may constitute "doing business" by foreign corporation. Suit in Louisiana courts against a corporation, foreign to Louisiana and not licensed to do business in the state, on unpaid notes representing portion of purchase price of a machine; there had been sequestration followed by release on a forthcoming bond. Judgment below for plaintiff is amended changing it to one in rem rather than one in personam, and as amended is affirmed by the Supreme Court of Louisiana. The sole question, so far as this digest is concerned, is whether or not defendant was "doing business" in Louisiana. Service of process was on the Secretary of State, as provided by statute, the corporation having appointed no agent for service, as it considered such action unnecessary in view of its

New Requirements on all New York Co

An amendment to the Stock Corporation Law of New York effective November 1, 1934, requires every corporation to file in the Department of State the name and address to which the Secretary of State shall send process against the corporation which may be served upon it.

As is its custom upon the passage of new laws or adoption of new official regulations, and in conformance with its established policy of helpfulness to attorneys in all corporation matters, The Corporation Trust Company will furnish any corporation's attorney with complete information and, as soon as they are available, copies of the forms for filing the required designations. Make *written* request, stating full name of each corporation for which forms will be needed and the trouble and bother of the matter will be taken from your shoulders.

ns k Corporations

law of New York, to become
y corporation organized under
f State a certificate designating
e of process and setting forth an
shail copy of any process
ved upon him.

*When new laws make
new work for lawyers,
new services to assist
them can be expected
confidently from The
Corporation Trust
Company.*

THE CORPORATION TRUST COMPANY

ORGANIZED UNDER THE BANKING LAWS OF NEW YORK AND NEW JERSEY
COMBINED ASSETS A MILLION DOLLARS
FOUNDED 1892

120 BROADWAY, NEW YORK
15 EXCHANGE PLACE, JERSEY CITY
100 W. TENTH ST., WILMINGTON, DEL.

Albany, 180 State St.
Atlanta, Healey Bldg.
Baltimore, 10 Light St.
(The Corporation Trust Incorporated)
Boston, Atlantic Nat'l Bk. Bldg.
(The Corporation Trust, Incorporated)
Buffalo, Ellicott Sq. Bldg.
Chicago, 208 S. La Salle St.
Cincinnati, Carew Tower
Cleveland, Union Trust Bldg.
Dallas, Republic Bank Bldg.

Washington, Munsey Bldg.

Detroit, Dime Sav. Bank Bldg.
Dover, Del., 30 Dover Green
Kansas City, 926 Grand Ave.
Los Angeles, Security Bldg.
Minneapolis, Security Bldg.
Philadelphia, Fidelity-Phila. Tr. Bldg.
Pittsburgh, Oliver Bldg.
Portland, Me., 443 Congress St.
San Francisco, Mills Bldg.
Seattle, Exchange Bldg.
St. Louis, 415 Pine St.

belief that it was not doing business in the state. Defendant's business is that of building levees; it has entered in but one such contract in Louisiana, the one here under discussion. The court says: "Ordinarily the transaction of one piece of business in a state, or the entering into one contract therein, is not considered, under statutes similar to the present, as doing business in the state. In this instance, however, the contract was such a one and of such duration as to require the making of numerous small contracts, such as those for the employment of labor, and the repair of machinery. The law hardly contemplated that a foreign corporation may undertake such a contract in this state without complying with its laws by appointing an agent for service of process. We therefore hold that the service was valid." *Harnischfeger Sale Corporation v. Sternberg Co., Inc.*, 154 So. 10. O'Niell & O'Niell, of New Orleans, for appellant. Lines, Spooner & Quarles, of Milwaukee, Wisc., and Theus, Griswold, Davis & Leigh, of Monroe, for appellee.

Minnesota.

Action will lie in Minnesota courts against foreign corporation not engaged in intrastate business in state and having no office or agent there. In our digest of this case below, appearing in the November, 1933, Journal, at page 39, we said: "Action by a Delaware corporation, licensed to do business in Minnesota, in a Minnesota court, against another Delaware corporation not licensed in Minnesota, with its principal office in Ohio, whose business is Great Lakes water transportation. No business is solicited in Minnesota. Cargo is discharged at Duluth, on occasion. Suit based on alleged negligent damage to a consignment, either while in storage in South Chicago or while in transit between Chicago and Buffalo. Service was made on the master of one of the company's boats when the boat was in Duluth harbor discharging cargo; at the same time levy was made on the ship under writ of attachment. Below, on motion of defendant, both the service and the levy were vacated, not because such, *per se*, were violative of the commerce clause of the Federal constitution but on the ground that the prosecution and trial of the action in St. Louis county (Duluth) was violative of such clause because of the unwarranted burden that this would impose on defendant to defend. The Supreme Court of Minnesota affirms (three justices dissenting), finding that the further prosecution of the action 'would result in a serious and unreasonable burden on interstate commerce, and because plaintiff's corporate residence here as a domiciled foreign corporation is not sufficient to make the burden so imposed a reasonable one.' On May 28, 1934, the United States Supreme Court reversed the judgment. Referring to plaintiff, the court says that its relation to the locality is such as to relieve it of the opprobrium of an impudent intruder when it went into the local courts. 'In saying this we do not hold that the residence of the suitor will fix the proper forum without reference to other considerations, such as the nature of the business of the corporation to be sued. * * * Resi-

dence, however, even though not controlling, is a fact of high significance." Then, viewing all the circumstances of the defendant's business and of its presence in Minnesota, the court finds itself "unable to conclude that by the prosecution of this suit there has been laid upon the carrier a burden so heavy and so unnecessary as to be oppressive and unreasonable. * * * Such a suit may be a burden, but oppressive or unreasonable it is not." *International Milling Company, Petitioner, v. Columbia Transportation Company, Respondent*, Supreme Court of the United States, 54 S. Ct. 797.

Missouri.

A sale is not the test of interstate commerce. A Tennessee corporation, engaged in business in Tennessee as a cotton factor, had as a customer or client a Missouri citizen who shipped cotton to it to be held subject to orders to sell. Certain expenses were paid by the Tennessee corporation for the account of the shipper, and the shipper was financed to an extent by the factor. Notes and a deed of trust on Missouri property were executed by the shipper in favor of the factor, and a contract obligating the Missouri customer to ship his cotton to the factor was made, all of which were prepared, dated, and executed in Missouri, being thereafter sent to Memphis for approval, were there approved, and the deed of trust was there recorded. The Tennessee corporation was not licensed to do business in Missouri. In this action on the notes and deed of trust, it was urged that such were void as the factor was not licensed in Missouri. The trial court ruled against this contention, holding that there was no such "doing of business" in the state as to render the Tennessee corporation amenable to the foreign corporation laws of Missouri. The Supreme Court of Missouri, Division No. 1, sustains the trial court to this extent, reversing the judgment on other grounds and remanding with directions to amend. The court quotes from the opinion in *Butler Bros. Shoe Co. v. U. S. Rubber Co.* (C.C.A.), 156 F. 1, as follows: "A sale is not the test of interstate commerce. All sales of sound articles of commerce, which necessitate the transportation of the goods sold from one state to another, are interstate commerce, but all interstate commerce is not sales of goods. Importation into one state from another is the indispensable element, the test, of interstate commerce; and every negotiation, contract, trade, and dealing between citizens of different states, whether it be of goods, persons, or information, is a transaction of interstate commerce." *Yarbrough v. W. A. Gage & Co.*, 70 S. W. (2d) 1055. Sharon J. Pate and Von Mayes, both of Caruthersville, for plaintiff. Ward & Reeves, of Caruthersville, for defendants.

New York.

Action by State of New York in New Jersey court to satisfy judgment recovered in New York court against a foreign corporation for franchise tax, penalties, and interest. The State of New York re-

covered judgment against the defendant foreign corporation on account of corporate franchise tax, penalties, and interest. Thereafter it brought this action in the New Jersey Supreme Court to satisfy the judgment and prevailed. The New Jersey Court of Errors and Appeals affirms. On the appeal, defendant rested its prayer for reversal "on the single proposition that the claim is based on penalties which cannot be prosecuted here". The court says that "It is undoubtedly true that penalties imposed by the penal laws of a state cannot be enforced in another jurisdiction" but "we think the record fails to disclose that the statute is penal in its nature". Moreover, the foreign corporation availing itself of the privilege accorded it to enter New York and do business there "did so under the implied obligation that it would comply with the conditions upon which it was permitted to enter," and so the action was not to collect the penalty but to collect a debt which the appellant had impliedly agreed to pay. "If such claims as are here presented were not enforceable against foreign corporations wherever found, the states of the Union would be subject to grave wrongs from without, inasmuch as corporations establish important connections in states other than those of their incorporation, and transact large business therein without the investment of a dollar or the placing of tangible property within their borders whereby redress may be had against corporations in default." *State of New York v. Coe Mfg. Co.*, 172 A. 198. Paul Koch, of Jersey City (John M. Dickinson, on the brief), for appellant. Bilder, Bilder & Kaufman, Samuel Kaufman, and Daniel G. Kasen, all of Newark (John J. Bennett, Jr., Atty. Gen. of New York State, and Henry Epstein, Sol. Gen., of New York City, of counsel), for respondent.

Foreign corporation qualified to do business in New York for certain purpose may not act as committee for bondholders. A Delaware corporation qualified to do business in New York for the purpose of doing "a general mortgage loan business; that is, to lend money upon first mortgages upon real estate". It sold certain mortgage participation bonds; there was default under the mortgage; whereupon the corporation appointed itself a committee for bondholders, arranged for a depositary, called for the deposit of bonds, etc. Certain depositors became dissatisfied and demanded return of their bonds; refused; suit; plan of reorganization submitted; unsatisfactory; modified plan submitted "which was deemed by the learned justice at Special Term to cure all prior wrongful acts of defendant and plaintiffs were held bound by their original contract of deposit." The New York Supreme Court, Appellate Division, First Department, reverses and orders the return of the bonds as prayed saying that "on the law, we find that the defendant corporation has exceeded its powers". The court thinks "that acting as a committee for bondholders in a reorganization is not to be regarded as the exercise of powers collateral to or necessary for the practice of 'a general mortgage loan business; that is, to lend money upon first mortgages upon real estate'." *Jewett v. Commonwealth*

Bond Corporation, 271 N. Y. S. 522. Blandy, Mooney & Shipman, of New York (John A. Brough, of New York, of counsel; William West Shaw, of New York, on the brief, for appellants. Jones, Clark & Higson, of New York (Francis D. Higson, of New York, of counsel), for respondent Commonwealth Bond Corporation. O'Brien, Boardman, Conboy, Memhard & Early, of New York (Bernard Sobol, of New York, of counsel), for respondents Bank of Manhattan Trust Co. and Harriman Nat. Bank & Trust Co.

President of corporation not liable criminally for failure to produce books of his corporation, a Delaware corporation not qualified in New York. In a proceeding under which the sale of stock of a Delaware corporation, not licensed to do business in New York, was under investigation by the Attorney General of New York, the president of the company was convicted of failing, without reasonable cause, to produce, pursuant to subpoena, certain books and records of his corporation, which were either in Wilmington or New Haven, Conn. The subpoena was directed to the defendant individually and not as an officer of the corporation. At the trial the uncontradicted testimony of defendant was that he had consulted his directors and they had refused to authorize the removal of the books until advised how long they would be retained. The New York Supreme Court, Appellate Division, First Department, reverses, and directs that the information be dismissed and the fine remitted. The court says that the records which the defendant was subpoenaed to produce were not his but belonged to the corporation of which he was president; he had no right to remove them to New York except with the consent of his directors. "To hold that he was guilty of violating the statute in failing to do this would imply that he was required to purloin these records in other jurisdictions in order to bring them here." "The action, therefore, of the directors of this foreign corporation in refusing to permit the production of records not within the jurisdiction of this state constitutes a complete justification to the defendant for his failure to produce them." *People v. Garland*, 271 N. Y. S. 425. Friend & Shay, of New York (Joseph A. Shay, of New York, of counsel), for defendant. Joseph J. Bennett, Jr., Atty. Gen. (Oscar L. Spears, of New York, of counsel; Ambrose V. McCall, of New York, on the brief), for the People.

North Carolina.

Service of process on foreign corporation in transitory action brought by nonresident on cause of action arising out of state. Transitory action brought in a North Carolina court by a nonresident of the state against a foreign corporation doing business and owning property in the state, on a cause of action, in tort to recover damages, which arose in the District of Columbia. Service of summons was on a local agent of the defendant. The statutes provide that service may be made in respect of a foreign corporation (*inter alia*) on a local agent if the corporation has property in the state. Appearing

specially, defendant contended that if under the statute service on a local agent, in such a case as this, be held valid, then to that extent the statute violates both the commerce clause and the due process clause of the Federal Constitution. The Supreme Court of North Carolina, affirming the judgment below, holds the service good, after stating that "the precise question here presented seems to be one of first impression in this jurisdiction, and we do not find any decision of the Supreme Court of the United States which exactly decides it." After full discussion involving reference to a multitude of cases, the court says: "In the absence of an authoritative decision on the subject by the Supreme Court of the United States, we are disposed to follow the majority view and hold that, when a foreign corporation has property in this state and is here present transacting its corporate business through local agents, such corporation is amenable to service of process according to the provisions of C. S. Sec. 483, in an action like the present one, and that this statute in the respect here assailed neither offends against the commerce clause of the Federal Constitution nor runs counter to the Fourteenth Amendment." *Steele v. Western Union Telegraph Co.*, 173 S. E. 583. Francis R. Stark, of New York City, and Alfred S. Barnard, of Asheville, for appellant. Martin & Martin, of Asheville, for appellee.

Texas.

Act of Legislature appropriating funds to repay to foreign corporation certain fees illegally demanded and collected is sustained. The Barber Asphalt Company, a West Virginia corporation, qualified to do business in Texas in 1919, paying the maximum fee (\$2,500) required by the statute then in force. Subsequently, on increasing its capital stock it offered for filing with the Secretary of State of Texas a copy of the amendment of increase. "Under a mistake of law" the Secretary refused to file unless an additional filing fee of \$2,500 was paid. Under duress (so it is held by the court) this was paid. Later the Texas Supreme Court in *General Motors Acceptance Corporation v. McCallum*, 10 S. W. (2d) 687, ruled that the maximum fee having been paid, further amendments showing increases of capital were entitled to be filed without payment of additional charges based on such increases. Presenting its claim for \$2,500 to the Legislature, an appropriation in that amount was carried in a Miscellaneous Claims Bill which became law. The comptroller issued his warrant; the company assigned it to relator here; the state treasurer refused payment on the ground that the attorney general had advised that such warrant was invalid. This mandamus proceeding followed. It was contended on several grounds that the appropriation on which the warrant was issued is unconstitutional. The Commission of Appeals of Texas, Section A, upholds the appropriation and grants the mandamus. The Texas Supreme Court adopted the opinion May 2, 1934. *Austin Nat. Bank v. Shepard, Comptroller of Public Accounts, et al.*, 71 S. W. (2d) 242. White,

Taylor & Gardner and Black & Graves, all of Austin, and Thompson, Knight, Baker & Harris, of Dallas, for relator. James V. Allred, Atty. Gen., and Sidney Benbow, Asst. Atty. Gen., for respondents.

Taxation

California.

Corporate franchise tax on domestic and foreign corporations. The California Constitution provides that all financial, mercantile, manufacturing and business corporations doing business within the limits of the state shall pay an annual franchise tax measured by their net income; it further provides that the legislature shall define "corporation", "doing business" and "net income" and may define the latter to be the entire net income received from all sources. By an act of 1929 the legislature imposed such a tax measured by the net income of the preceding fiscal or calendar year; defined "corporation" so as to include business and financial corporations; defined "doing business" as consummating transactions in the course of its business either as a domestic or foreign corporation qualified to do or doing business in the state; defined "gross income" as including dividends on stock; provided for the deduction from gross income dividends received during the taxable year from income arising out of business done in California. Plaintiff below, where it prevailed, is a holding company, holding the shares of stock of a California corporation; it is seeking to recover franchise tax imposed on its taxable net income for a certain year, which income (29.64% of its total income from dividends) was received as dividends from the California corporation from income earned in business transacted outside California. The taxpayer claimed it was not a corporation within the meaning of the term as defined by the legislature; that it was not "doing business"; that the tax as imposed is a burden on interstate commerce; that the tax is discriminatory since personal holders of the California corporation's stock are not similarly taxed. The Supreme Court of California, reversing the court below, upholds the law against all the adverse contentions raised. *Union Oil Associates v. Johnson, State Treasurer*, 32 P. (2d) 360. U. S. Webb, Atty. Gen., and H. H. Linney, Deputy Atty. Gen., for appellant. Andrews & Andrews, L. W. Andrews, and Paul M. Gregg, all of Los Angeles, for respondent.

Idaho.

Chain Store Tax Law Upheld. The Idaho Chain Store Tax Law (Chapter 113, Idaho Session Laws of 1933) imposes a progressive excise on persons operating one or more stores in the state, the rate ranging from \$5 per year for one store to \$500 per year for each store in excess of nineteen. The Supreme Court of Idaho, affirming the judgment below, sustains the law against all contra contentions. *J. C. Penney Co. v. Diefendorf, Com'r. of Finance, et al.*, 32 P. (2d) 784. Hoyt E. Ray, of Idaho Falls, and Frawley & Barnes, of Boise,

for appellant. B. H. Miller, Atty. Gen., Leo M. Bresnahan, Asst. Atty. Gen., and Richards & Haga, of Boise, for respondents.

West Virginia.

Chain store tax held inapplicable to gasoline filling stations. Chapter 36, West Virginia Laws of 1933, imposes license taxes on stores; if but one store is operated by a "person" the fee is \$2; if more than one store are operated by the same person the fee per additional store ranges from \$5 per store (on 2 to 5 stores) to \$250 per additional store (if more than 75 stores are operated by the same person). "Store" is defined as being an establishment "in which goods, wares or merchandise of any kind, are sold, either at retail or wholesale". Plaintiff paid, under protest and duress, \$240,173.50 in license fees for 1,003 gasoline filling stations and bulk distributing plants in the state plus 50¢ for each license application. Suit to recover, before a statutory three-judge court (United States District Court, Southern District, West Virginia). Decree for plaintiff directing that refund be made. The long opinion is in two parts, written by different judges. It is held that as applied to filling stations the act violates the equal protection clause of the Federal Constitution; also, because the tax is lacking in uniformity, that, as applied to filling stations, the act violates the State Constitution; however, it is decided that a filling station is not a "store" and so that filling stations are not subject to the tax imposed by the act. *Standard Oil Company of New Jersey v. Fox*, 6 F. Supp. 494. H. D. Rummel, Donald O. Blagg, and A. G. Stone (of Rummel, Blagg & Stone), all of Charleston, W. Va., for plaintiff. Homer A. Holt, Atty. Gen., R. Dennis Steed, Acting Asst. Atty. Gen., and Wm. Holt Wooddell, Asst. Atty. Gen., for defendant (tax commissioner).

A Notable Achievement

THE ILLINOIS BUSINESS CORPORATION ACT ANNOTATED. With Forms. By The Corporation Law Committee of The Chicago Bar Association. Published by The Foundation Press, Inc., 11 South La Salle Street, Chicago. \$10.

The Chicago Bar Association's Corporation Law Committee presents, in bound volume form, the Illinois "Business Corporation Act," enacted last year. Annotations, the result of extensive research, point out the changes which the Act made in the prior law and the reasons for such changes, together with an analysis of the decisions of the Illinois Supreme Court and the Appellate Courts on the matters covered by the Act. In addition, footnotes cross-reference the law and decisions to a number of the most important Reporters and Corporation Digest Systems. Forms for use under the Act are included.

CORPORATE MEETINGS HELD

During the past few months meetings of the corporations named below, among many others, have been held at some one of the offices of The Corporation Trust Company.

Rolls Royce of America, Inc.	Magazine Repeating Razor Company
Hat Corporation of America	Guayaquil & Quito Railway Company
Southern Dairies, Inc.	Quarterly Income Shares, Inc.
North European Oil Corporation	New England Fish Company
Cellulose Products Corporation	American Food Products Company
Taggart Corporation	International Cement Corporation
Flour Mills of America, Inc.	Continental Products Company
The Western Public Service Co.	The Wilson Laboratories
George A. Fuller Company	Salt Lake Copper Company
Ludlow Valve Manufacturing Co.	Luxor, Limited
Virginia-Carolina Chemical Corporation	
Commonwealth & Southern Corporation	

Some Important Matters for October and November

This calendar does not purport to cover general taxes or reports to other than state officials, or those we have been officially advised are not required to be filed. *The State Report and Tax Service* maintained by *The Corporation Trust Company System* sends timely notice to attorneys for subscribing corporations of report and tax matters requiring attention from time to time, furnishing information regarding forms, practices and rulings.

- CALIFORNIA—Quarterly Retail Sales Tax Return and Payment due on or before October 15.—Domestic and Foreign Corporations.
- GEORGIA—Certified Statement for Registration due on or before November 1.—Domestic and Foreign Corporations.
- INDIANA—Quarterly Gross Income Tax Return and Payment due on or before October 20.—Domestic and Foreign Corporations.
- IOWA—Quarterly Retail Sales Tax Return and Payment due on or before October 20.—Domestic and Foreign Corporations.
- NEW YORK—Supplementary Franchise Tax Return (Form 60CT) due on or before November 30.—Dom. and For. Corporations organized or qualified between June 30 and Nov. 1 of current year.
- NORTH CAROLINA—Annual Franchise Tax due on or before October 1, or within thirty days after date of notice, if not mailed prior to September 15.—Domestic and Foreign Corporations.
- RHODE ISLAND—Semi-Annual Report to Chief Factory Inspector due during October and April.—Domestic and Foreign Corporations employing five or more persons in Rhode Island.
- SOUTH DAKOTA—Quarterly Gross Income Tax Return and Payment due on or before October 30.—Domestic and Foreign Corporations.
- WEST VIRGINIA—Quarterly Gross Income Tax Return and Payment due on or before October 30.—Domestic and Foreign Corporations.

The Corporation Trust Company's Supplementary Literature

In connection with the various departments of its business The Corporation Trust Company publishes the following supplementary pamphlets and forms, any of which it is always glad to send without charge to readers of The Journal:

New Deal Laws of Importance to Corporations—Contains complete text of Securities Act of 1933 as amended by Title II of the Securities Exchange Act of 1934, all matters in the original act omitted in the 1934 amendments being set in brackets, and all new matters added by the 1934 amendments being set in *italics*; complete text of the Securities Exchange Act of 1934; and complete text of the amendment approved June 7, 1934 to the Bankruptcy Act providing for corporate reorganizations.

The New Bankruptcy Law—Contains, first, the eleven-word amendment approved June 18, 1934 to the original amendment to the Bankruptcy Act approved June 7, 1934 (and published in our pamphlet *New Deal Laws* described above); second, two examples of voluntary petitions for reorganization under the new provisions; and third, two examples of petitions under the new provisions for appointment of trustees (reorganization sought).

The High Cost of Whistles for Corporations—Benjamin Franklin's classic, "The Whistle," here is shown, by the decisions in actual court cases, to have a very pointed application to some of the policies of some business corporations of our own day. A sixteen-page pamphlet for both laymen and lawyers.

Special Report—The Case Against Corporate Representation by Business Employees. Specific experiences of different corporations with the handling by untrained corporate representatives of such matters as service of process, notices of taxes due, filing of corporation reports, etc.

Amendments to Delaware Corporation Law, 1933. Presents the complete text of the 1933 amendments to Chapter 65 of the Revised Code, all new matters being shown in *italics*, and repealed matter in brackets, so a complete picture is conveyed of the changes effected, while explanatory comments show the purpose and result of each change.

What Constitutes Doing Business. (Revised to April 15, 1934.) A 198-page book containing brief digests of decisions selected from those in the various states as indicating what is construed in each state as "doing business." The digests are arranged by state, but a Table of Cases and a Topical Index make them accessible also by either case name or topic. There is also a section containing citations to cases on the question of doing business such as to make the company subject to service of process in the state.

Amateur Corporate Representation. A booklet dealing with some of the weaknesses of placing a company's statutory representation in the hands of business employees or others not trained in the matters involved.

Delaware Corporations. Presents in convenient form a digest of the Delaware corporation law, its advantages for business corporations, the attractive provisions for non par value stock, and a brief summary of the statutory requirements, procedure and costs of incorporation completely revised to reflect the changes made by the amendments of 1933.

When Corporations Cross the Line. A simple explanation of the reasons for and purposes of the foreign corporation laws of the various states, and illustrations of when and how a corporation makes itself amenable to them. Of interest both to attorneys and to corporation officials.

Questionnaire on Business Outside State of Organization. This is a form for attorney's use in determining when a corporation should be qualified. The questions are those which will usually bring out the points necessary to be considered.

INHERITANCE, ESTATE AND GIFT TAX SERVICE

NEW EDITION (6th)

FOUR VOLUMES

Covering the Federal and State inheritance, estate and gift taxes in the United States and the Canadian Succession Duties

A SEPARATE SERVICE DIVISION for each jurisdiction—each designated by a tabbed guide card. Each division contains a topical compilation—thoroughly annotated. These compilations are uniform in organization. They are preceded by compendiums and reprints of the effective law and regulations. They are followed by collections of the prescribed forms. Indexed current reports keep the Service up-to-date.

A non-technical TREATISE discusses the whole field of estate and inheritance taxes. CHARTS outline the salient features of the statutes. SUPREME COURT DECISIONS throw revealing light on both Federal and State law in this field. TABLES list all cases appearing in the Service. The Cumulative Index correlates the Service divisions and New Matters. The NEW MATTERS division presents current court decisions, attorney-generals' opinions, official rulings, and editorial comment. Report Letters outline new mailings. The STOCK TRANSFER division, with the CORPORATION DIRECTORY and TRANSFER AGENTS DIRECTORY, facilitates the transfer of stock in decedents' estates.

CONFERENCE CLEARINGHOUSE, INC.
LOOSE LEAF SERVICE DIVISION
OF
THE CORPORATION TRUST COMPANY

205 W. Monroe St.
CHICAGO

120 Broadway
NEW YORK

730 15th St., N. W.
WASHINGTON

*. . . . when new laws make new work
for lawyers, new services to assist them
can be expected confidently from The
Corporation Trust Company*

There are the provisions under 77B of the Federal Bankruptcy Act opening up possibilities for many corporations to save themselves through reorganization: in the attorney's work of planning and executing the program of getting security holders' assets to plan of reorganization, The Corporation Trust Company takes a world of detail off his shoulders, and through its system of offices across the country puts a touch of effectiveness in the work impossible to any other organization.

There is the registration of new securities under the Securities Act: through its Wash-

ington office, The Corporation Trust Company simplifies and speeds up this work for the lawyer.

There is representation in Washington under the new Communications Act for corporations engaged in interstate communications business: in this The Corporation Trust Company gives lawyers the same type of helpfulness it provides in the matter of representation for Delaware corporations or corporations qualified as foreign in any state.

All of a piece with its forty-two-year old policy of HELPFULNESS—organized, systematic helpfulness to lawyers in all corporation matters.

THE CORPORATION TRUST COMPANY

ORGANIZED UNDER THE BANKING LAWS OF NEW YORK AND NEW JERSEY

COMBINED ASSETS A MILLION DOLLARS

FOUNDED 1892

120 BROADWAY, NEW YORK

15 EXCHANGE PLACE, JERSEY CITY

100 W. TENTH ST., WILMINGTON, DEL.

Albany, 180 State St.
Atlanta, Healey Bldg.
Baltimore, 10 Light St.
(The Corporation Trust Incorporated)
Boston, Atlantic Nat'l Bk. Bldg.
(The Corporation Trust, Incorporated)
Buffalo, Elyott Sq. Bldg.
Chicago, 208 S. La Salle St.
Cincinnati, Carew Tower
Cleveland, Union Trust Bldg.
Dallas, Republic Bank Bldg.

Washington, Munsey Bldg.

Detroit, Dime Sav. Bank Bldg.
Dover, Del., 30 Dover Green
Kansas City, 926 Grand Ave.
Los Angeles, Security Bldg.
Minneapolis, Security Bldg.
Philadelphia, Fidelity-Phila. Tr. Bldg.
Pittsburgh, Oliver Bldg.
Portland, Me., 443 Congress St.
San Francisco, Mills Bldg.
Seattle, Exchange Bldg.
St. Louis, 415 Pine St.

